

**WSDOT/ACEC Project Delivery Team Meeting  
WSDOT Headquarters, Olympia, Washington  
February 4, 2005**

**Website:** <http://www.wsdot.wa.gov/partners/projectdelivery/>

**Attendees**

Ken Smith - Team Co-Chair  
Duncan Findlay - Team Co-Chair  
Kirk Berg  
Doyle Dilley  
Richard (Rick) Door  
Russ East (absent)  
Mary Holland  
Mike Horton  
Ron Landon  
Mike Mariano (absent)  
Keith Metcalf  
Keith Nakano (substitute for Karl Winterstein)  
Amir Rasaie  
Lisa Reid (absent)  
Rick Smith  
John Villager (absent)  
Karl Winterstein (absent)  
Adele McCormick - Recorder

**Guests:**

Darlene Sharar, Access Point Decision Report (APDR)

**Introductions and Agenda Review**

**Ken Smith**

**Change Request #3 - Surplus Property**

**Keith Metcalf**

Keith drafted a change request regarding disbursement of funds from the sale and lease of surplus property. This request recommends the funds be deposited in the original project account as long as the account is still open. This may be a bigger step than we can obtain.

What is the definition of a project? For example, the North South Corridor in Eastern Region – is the whole corridor the project, or are the individual pieces separate projects?

Should we go after all of the parcels, or just those that have projects still open? We don't want to go too far and have the legislature tell us we can only buy exactly what we need so there will be no remainder.

We are currently allowed to hold on to property and trade for property we need. However, it is often difficult to find someone who wants the property.

This wouldn't affect the counties and cities, and there is not a problem with federal funds. Federal funds need to be put back into a transportation-eligible project. The only time there is a problem is when WSDOT is purchasing the right of way – then WSDOT controls it.

There is currently no incentive for Real Estate Services (RES) to sell property. We don't get the money back. The rent from pieces we lease goes into the revolving fund and we retain the funds. However, these funds cannot be used for repairs on the properties.

The timeline for introduction of bills will have passed before this recommendation is ready. It probably won't get read as a bill before next session. We will need to move on it very quickly to get it into this session.

The head of Real Estate Services blocked previous attempts to do this for two reasons. One reason is because of the possibility of jeopardizing the revolving fund. The second is that they are only allowed a certain number of bills a session and this wasn't a high priority for them. Executive management can put this recommendation forward.

The legislature may find it a real concern that we have excess property.

This would give region Property Management reinforcement to turn property back quickly. There is currently no incentive because we don't recoup the money we spent on the properties originally.

Maintenance likes the idea, because otherwise they are responsible for maintaining the property. They would like the process speeded up one way or another.

Program Management goes back to the definition of a project. By the time we convert a parcel into dollars, is that particular construction project in need of funding?

How big an impact does this have and what is the benefit? If it is megaproject specific, then we should clarify that.

Consider moving the recommendation forward just for active projects. There may be more RCWs that have to be amended if we include leases. Lease funds go back into the project. It's more important to deal with sales, because the funds go into the motor vehicle fund.

If "project" is not defined in the RCW, the department can define it.

We are not going to address leases, only surplus properties where the project is still open. The sale should not be tied to PINs and WINs because these aren't always consistent. Tie them to the projects, however "project" is defined.

We should try to get this approved and moved forward during this legislative session

Only legislative-sponsored bills are available – it is already too late for department-sponsored bills.

**Action Item:** Keith Metcalf will complete the surplus property recommendation form and revise the RCW. Ken Smith and Keith will talk to Don Nelson about this by the end of next week. This is Change Request #3 and we will move forward with it. Duncan Findlay would like to see it for editorial revision before it goes on.

#### **Change Request #4 – Access Point Decision Report**

Ken Smith

Ken Smith has already talked to Don Nelson and Harold Peterfeso about the Access Point Decision Report (APDR) change request. They discussed it with John Conrad.

If this recommendation moves forward, WSDOT will delete the policy in *Design Manual* Chapter 1425 and follow the Code of Federal Regulations (CFR). The down side of this is that the CFR does not provide very clear guidance. It is not user friendly. Other states use the CFR, but have written guidance around it. We have done that too, but our guidance has grown and grown until it has taken on a life of its own. We will discuss this with Dan Mathis. Rather than go to FHWA with a rewrite, we are just going delete *Design Manual* Chapter 1425.

For non-NHS APDRs, the state access point decision process needs to be discussed. Does this have to be the same as NHS? Does the CFR only cover Interstate, not NHS? The CFR was set up for the Interstate, but we have applied it to NHS and non-NHS. We expanded it because we thought it was a good idea.

The I-405 APDR is a very small document. We are submitting it right now. We will see how it goes.

This is a good recommendation and we are moving it forward.

We need to ask Darlene Sharar about non-interstate. Is it reasonable to have a Chapter 1425 for non-Interstate only? What guidance should our designers have for using the CFR?

This recommendation is done!

The regions need to be told that if they are currently working on an APDR, they should contact us.

**Action Item:** Adele clean up the Change Request #4 form.

**Quantifying the Impact on the State of 12% Pre-Award Interest in Condemnation Proceedings**

Rick Smith

We are asking the regions for an estimate of the amount of the 12% pre-award interest we are paying in a biennium that is being wasted because we have this arbitrarily high rate. We need to determine the amount that is paid and the difference between that and the market rate. If this amount of money is substantial, then we would like to change the interest amount to the market rate. Is it holding up the project because there is no incentive to settle?

Headquarters Real Estate Services and Don Nelson feel the amount is not worth going after. We need to get the numbers and show that it is a substantial amount before they will be willing to move on it.

Often settlements are in lump sum amounts and the interest isn't broken out. The project manager has a pretty good idea of what that interest is. The final document may not have the breakdown, but we have that information in the documentation somewhere.

This may reduce attorneys' fees as well, because they usually charge based on time rather than a contingency. This should reduce the time.

**Action Item:** In preparation for drafting Change Request #5, Rick Smith will talk to the Attorney General and find out the facts. Rick will bring a draft recommendation, numbers, and RCW background to the next meeting.

**Report on the Strategic Direction for Capital Project Management**

Ken Smith

Handout: The Revised WSDOT Project Management Process

The team discussed changes to the project management process.

The process is being followed fairly closely in all areas, but isn't being documented. WSDOT is working on an interactive project management guide. The five-step process will be on the Project Management website. The website will include the guide, a list of tools, and a list of examples. The website will be external.

This is currently under development. The goal is to have this guide completed by the end of the biennium. Pieces will be available as it is being developed. The idea is to make it as simple as possible and have the tools at our fingertips. Ken Smith will demo the mock-up at the region Design/Construction conferences.

A federal group is putting together an interactive website on legal requirements for us. These two websites should work together. Rick Smith and Ken will discuss this.

The consultant community will get the same executive order through WSDOT that WSDOT staff get. This process will be used on 100 percent of the process, 100 percent of the time.

There is concern that the community isn't included in this process. Include local agencies, communities, etc., in this process. Use the term "public" agencies rather than locals.

Who is the project manager? The task force recommended that we look at scalable project managers. Project managers with different levels of responsibility. This is not just a question of salary – it's looking at the right person for the job. We are looking at having different levels of certification to prove the level of abilities. There is more work to be done in this arena.

There is a suggestion to include consultants in the team, not just consider this an assumption.

The more Ken shares this matrix, the more information we have for the guide.

A second or third draft of the glossary of terms has been developed. Since we used a number of different sources, there are a number of different definitions. We are paring those down. The glossary will be posted on the Project Management website in early March. <http://www.wsdot.wa.gov/Projects/ProjectMgmt/>

By next week we will have a paper ready on how we are going to respond to the JLARC recommendations.

### **Website**

Include a link to the ACEC/WSDOT Project Delivery website on all minutes and agendas. ACEC has a link to it on their website.

### **Efficiencies in the Access Management Process** **Darlene Sharar**

Handout: Suggestions to FHWA to encourage delegation of approval authority to WSDOT relating to limited access.

This concerns limited access to Interstate, but not mainline impacts.

If the answer is always "yes," why are we asking the question?

This will save about 3 weeks on projects with limited access. This is the right time to approach this.

FHWA has delegated everything but new or reconstruction to the state. The Stewardship Agreement may say they have authority for all breaks in limited access.

**Action Item:** Ken Smith and Darlene Sharar will do more research regarding what we want to change for this item. What guidance should be given and where do we put it? Darlene needs to check with Tom Swofford to determine how this will affect utilities. Also contact Real Estate Services. Check the Stewardship Agreement.

**Action Item:** Draft a recommendation regarding delegation of the three items on Darlene Sharar's handout on limited access. "Those things that break access but do not affect the mainline, for example (list the 3 examples)."

ADPRs for Interstate follow the CFR. The CFR only refers to the Interstate. What happens to access on other NHS or non-NHS highways if we delete Chapter 1425?

We are already doing what is in Chapter 1425 as a matter of business. Some of the project development engineers thought it was cumbersome to have this on the state system.

Let Darlene Sharar know if you have any more input.

### **Channelization Plan**

**Ken Smith**

**Action Item:** Kirk Berg will have his CADD people pull up a channelization plan, look at the checklist, and make one plan that includes everything. We will post it on our website and others.

Olympic Region has a separate checklist for approving the footprint for a channelization plan ahead of a detailed channelization plan. This facilitates starting some of the processes. The Olympic Region's checklist is about a 10-page workbook. It is fairly comprehensive from start to finish. Adele will put a link to a copy of the checklist on sharing page of the team's website. Amir Rasaie asked for an example of an approved plan to see how it relates to an approved channelization plan. They have the footprint plan and then they also do a detailed channelization plan. Amir will come back to this group when he finds out more.

### **Discussion of John Villager Memo Regarding Changes to the Design Approval Process**

Duncan Findlay  
Handout

When are designs approved, or do we keep going back and revisiting designs that should have been approved earlier in the process?

Adhering to WSDOT guidelines for developing the design should solve some of this. Delay impact and revisiting issues increase costs.

**Action Item:** Amir Rasaie will discover if there is really a problem with revisiting items that should have been approved earlier in the process, or if this is an anomaly. Duncan Findlay will contact Bob Josephson.

### **Contractor Bonding Duncan Findlay**

Handout: Memo on Project Payment and Performance Bonding

Advantages to reducing the 100 percent requirement for performance bonding include the affect on costs of bonding and if you lower the bonding requirements you may get more players, which will affect prices.

This is thought to be the law. What is the impact of dropping this to 75 percent or 50 percent?

Rick Smith will talk to Kevin Dayton and bring back more information for us to look at.

We prequalify based on an amount the contractor can do. To submit a bid, they have to submit a bond.

Is this risk management or is it something this team should deal with? Should this be given to the AGC/WSDOT team?

**Action Item:** Rick Smith will talk to Craig McDaniels about the 100 percent requirement for performance bonding. If we are giving this topic to the AGC team, then they should get the numbers. We will discuss this at the next meeting.

### **Agenda Items**

Recommendation 5 – Access

Recommendation 3 – Surplus right of way

Revisit brainstorm list to see what we still need to address.

**Action Item:** Adele McCormick will put the September 2004 brainstorm list on the Sharing website page. Team members should e-mail Duncan with agenda items after looking at the brainstorm list.

**Action Item:** Duncan will put an item in the ACEC *Impact* newsletter to tell about this team. This could generate ideas to tackle.

**Next Meeting**

HNTB in Bellevue, Friday March 4, 2005